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Ecuador

Sanitary/Phytosanitary/Food Safety

New Law for Sanitary Permit Issuance in Ecuador 2001

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Report Highlights:

In August of 2000, the Government of Ecuador passed the Trolley Bus II law containing significant changes in Ecuador's Sanitary Permit process that will significantly ease food import requirements. These changes are designed to put end to decades of inefficiency in the permit issuing process.

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In the last quarter of 2000, the Government of Ecuador (GOE) faced a stiff opposition to the issuance of the "Ley de Promoción Social y Participación Ciudadana, Segunda Parte" (Trolley Bus II law). In January of 2001, Ecuador passed the Trolley II law containing important changes in Ecuador's sanitary permit process that will significantly ease agricultural and food import requirements. Sanitary Permit (SP) issues have always represented outstanding trade barriers for U.S. food exports to Ecuador. Lately, industry key players, production and commerce chambers, the U.S. Embassy in Quito and many other institutions have been working in order to get sanitary restrictions' rules changed.

Principal changes contained in the Trolley II law are those related to terms of issuance, equal treatment, free sale certificates validation, expiration terms, and a decentralization of the process, which until now has been managed by the National Institute of Hygiene Izquieta Perez (INHIP). The following table summarizes how the new legislation improves the process:

SUBJECT	BEFORE	NOW
Time for issuing the SP	6 months to 1.5 years	30 days
Expiration term	7 years	10 years
Analysis made by	INHIP	INHIP, Universities, private laboratories
Administrative process	INHIP, National Direction of Sanitary Control (NDSC)	NDSC, Province Health Offices in Guayaquil, Quito and Cuenca
Equal treatment	None	Rules will be issued

Ecuador is requesting a principle of reciprocity from Andean Community countries for the equal treatment of food product sanitary permits. In the case of products from the United States, the requirement for an U.S. product to get an Ecuadorian sanitary permit by equal treatment would be that such product had been given a free sale certificate, and is currently authorized for consumption within the United States. The new law indicates that the President of the Republic (or his designated institution) will determine according to relevant rules which foreign countries and institutions will be eligible for equal treatment. The U.S. Embassy requested that the U.S. FDA (Food and Drug Administration) Free Sale Certificate be included as a basis for satisfying these new requirements. In 1995, when Ecuador joined the World Trade Organization, it signed a side letter with the United States accepting free sale certificates issued by FDA for sanitary registration. This agreement has never been put in practice by Ecuadorian institutions. The National Direction of Sanitary Control (NDSC) in the Ministry of Health in Quito is responsible for issuing the implementing rules. The Director of NDSC has advised the Embassy that the Ministry of Health is in the process of writing implementing rules for imported food control.

The new rules are designed to put an end to decades of centralization and inefficiency at the National Institute of Hygiene Izquieta Perez (INHIP), based in Guayaquil, which has had a monopoly over issuance of sanitary permits. As such, these rules represent an important first step

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to expanding fair trade practices in Ecuador. In line with this, some of the improvements that are expected to be maintained, added, and reinforced by the new rules are as follows:

- Foreign countries' free sale and good manufacturing practice certificates will be accepted without reciprocity (depending on the country) in sixty (60) days.
- Sanitary permits will be issued in thirty (30) days.
- Improvements will be made in the renewal process for the sanitary permits, specifically regarding the number of required documents to obtain such renewal.
- Product analysis made by competent institutions in the country of origin or a certified laboratory would be accepted in lieu of testing by Ecuadorian laboratories.

Note: Implementing regulations for this law are still being written. Once they are released, post will submit another report. According to government sources, these regulations are expected to be released within the next three months.

FURTHER INFORMATION

Should you have any questions or need further assistance, please contact:

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